

TITLE 83: PUBLIC UTILITIES
CHAPTER I: ILLINOIS COMMERCE COMMISSION
SUBCHAPTER c: NET METERING
PART 465
NET METERING

AUTHORITY: Implementing Section 16-107.5 of the Public Utilities Act [220 ILCS 5/16-107.5] and authorized by Sections 16-107.5 and 10-101 of the Public Utilities Act [220 ILCS 5/16-107.5, 220 ILCS 5/10-101].

SOURCE Rules adopted at __ Ill. Reg. _____.

Section 465.05 Definitions

- a. Terms defined in Section 5/16-102 of the Act shall have the same meaning for purposes of this part as they have under Section 5/16-102 of the Act [220 ILCS 5/16-102], unless further defined in this Part.
- b. "Act" or "PUA" means the Illinois Public Utilities Act [220 ILCS 5/1-101 *et. seq.*].
- c. "Annual period" means the period of 12 consecutive monthly billing periods ending on the last day of either the net metering customer's April monthly billing period or its October monthly billing period, whichever was selected by the customer in connection with its application for net metering.
- d. "Avoided costs" means the incremental costs to the electricity provider of electric energy or capacity or both which, but for the purchase from an eligible customer, the electricity provider would generate itself or purchase from another source.
- e. "Eligible customer" or "customer" means a retail customer that owns or operates a solar, wind, or other eligible renewable electrical generating facility with a rated capacity of up to 2,000 kilowatts that is located on the customer's premises and is intended primarily to offset the customer's own electrical requirements.
- f. "Eligible renewable electrical generating facility" means a generator up to 2,000 kilowatts powered by solar electric energy, wind, dedicated crops

grown for electricity generation, anaerobic digestion of livestock or food processing waste, fuel cells or microturbines powered by renewable fuels, or hydroelectric energy.

- g. "Electricity provider" means an electric utility, whether providing services within or outside of its service area, or an alternative retail electric supplier.
- h. "Electric utility" means a public utility, as defined in Section 5/3-105 [220 ILCS 5/3-105] of the Act, that has a franchise, license, permit or right to furnish or sell electricity or light, except when used solely for communications purposes, to "Retail customers" within a "Service area" as both of these terms are defined in Section 5/16-102 of the Act [220 ILCS 5/16-102].
- i. "Net electricity metering" (or "Net metering") means measurement during the billing period applicable to an eligible customer of the net amount of electricity supplied by an electricity provider to the customer's premises or provided to the electricity provider by the customer.
- j. "Net purchaser of electricity" means that the total amount of generation produced by the customer is less than the customer's total usage during the applicable billing period.
- k. "Net seller of electricity" means that the total amount of generation produced by the customer is greater than the customer's total usage during the applicable billing period.
- l. "Time of use rates" means any contract or tariff under which the kWh price for electric power and energy supply is not uniform over all of the hours in a billing period.

Section 465.10 Application of Part 465

This Part shall apply to all Illinois electric utilities and alternative retail electric suppliers as defined in the Act required to provide net metering services in accordance with Section 16-107.5 of the Act.

Section 465.20 Purpose of Rule

The purpose of this Rule is to establish standards for net metering in accordance with the requirements of Section 16-107.5 of the Act.

Nothing in this Part is intended to conflict with or supersede 83 Illinois Administrative Code Part 452.

Section 465.30 Tariffs

Each electric utility subject to Section 16-107.5 of the Act shall file a tariff with the Illinois Commerce Commission in compliance with Section 16-107.5 and this Part.

Section 465.40 Net Metering Application and Enrollment Procedures

- a) Each electricity provider shall establish an application form and procedures to enable eligible customers to participate in the net metering program offered by the electricity provider.
- b) An electricity provider may establish an enrollment cap of 1% of the peak demand supplied by the electricity provider in the previous calendar year in accordance with Section 16-107.5 (j). Nothing in this Part alters the authority of electricity providers to offer net metering beyond these limitations if they so choose. Applicable electric utilities (e.g., the Ameren Companies, Commonwealth Edison Company, and MidAmerican Energy Company) will be limited to the number of eligible customers with generators that have a nameplate rating of 40 kilowatts and below to 200 new billing accounts for the period from April 1, 2008 through March 31, 2009.
- c) Each electricity provider shall establish an open enrollment period to receive net metering applications beginning April 1, 2008 and running through May 1, 2008. If the electricity provider receives applications in excess of any applicable limits provided for in subsection (b), the electricity provider shall determine enrollment priority by lottery. Applications will not be accepted prior to the start of the open enrollment period. This subsection does not prohibit the electricity provider from providing an initial preference in this regard to customers that are already participating in net billing or other programs similar to net metering that are offered by the electricity provider.
- d) After the end of the open enrollment period, or after any applicable limits provided for in subsection (b) have been met, whichever comes first, net metering enrollment priority shall be established on a first-come, first-serve basis, according to the electricity provider's date stamp indicating receipt of a completed net metering application. Applicants that applied during the open enrollment period that did not establish enrollment priority during the open enrollment period shall have their enrollment priority established in accordance with this subsection (d) based on the date stamp of the application submitted during the open enrollment period.
- e) Each completed application for net metering service shall be in writing and include:
 - 1. The customer's name, contact information and corresponding service address where the proposed net metering generation facility or facilities are located,

2. The name plate capacity rating of the proposed net metering generation facility or facilities, and
 3. Sufficient information to permit the electricity provider to determine whether the facility or facilities qualify as eligible renewable electrical generating facility or facilities.
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- f) The electricity provider shall provide applicants with a single point mailing address for all net metering applications, to which a completed application must be sent. The electricity provider shall date stamp each completed application upon receipt and completeness determination. Upon receipt of an applicant's completed and executed application, the electricity provider shall within 10 business days notify the applicant as to whether it is authorized to participate in the electricity provider's net metering program. An electricity provider shall not unreasonably deny a prospective customer's application.
 - g) If the electricity provider has denied an application due to the cap provided for in subsection (b), the electricity provider shall provide the customer an opportunity to be put on a waiting list. If space becomes available under the cap, due to either attrition among enrolled customers or an increase in the electricity provider's peak demand, wait-listed customers shall be processed before new applications.
 - h) Any authorization to net meter shall remain effective for as long as the customer remains eligible for net metering and continues taking generation service from the electricity provider, subject to the limitations in subsection (j).
 - i) With respect to any customer that has been authorized for net metering offered by an electricity provider that is not the electric utility providing delivery service to the customer, the electricity provider must notify the electric utility of the customer's status as a net metering customer.
 - j) Any electricity provider establishing enrollment limits, as provided for in subsection (b), may cancel a customer's authorization to net meter if, 12 months after receiving authorization to net meter, the customer has not executed an interconnection agreement under applicable Commission rules with the customer's electric utility. The electricity provider must automatically extend the authorization to net meter by an additional six months for eligible customers that have executed interconnection agreements within 12 months after receiving authorization to net meter but have not commenced operation and passed any applicable witness test. Thereafter, a customer seeking to

extend the authorization to net meter for an additional six months must pay a deposit of \$25 for each kilowatt of the nameplate rating of the customer's eligible renewable electrical generating facility, which shall be refunded only if the facility commences operation and passes any applicable witness test.

- k) _With respect to any customer that has been authorized for net metering offered by an electricity provider that is not the electric utility providing delivery service to the customer, the electricity provider must notify the electric utility of the customer's status as a net metering customer.

465.50 Electricity Provider Billing for Eligible Customers

- a) Billing for residential eligible customers and non-residential eligible customers with generators no greater than 40 kW
 - 1) Customers taking service under rates other than time of use rates
 - i) The electric utility shall determine whether the customer is a net purchaser of electricity or a net seller of electricity during the billing period.
 - ii) If the customer is a net purchaser of electricity during the billing period, the electricity provider shall assess charges on the net amount purchased at the tariffed or contract rate, as appropriate, under which the customer is taking service from the electricity provider. To the extent that the electric utility is not the electricity provider, the electric utility shall assess charges for delivery and other provided services at the tariffed rate under which the customer is taking electric service from the electric utility.
 - iii) If the customer is a net seller of electricity, the customer shall receive a credit from the electricity provider that is equal to the net kilowatt-hours supplied by the customer during the billing period. To the extent that the electric utility is not the electricity provider, the customer shall receive a credit from the electric utility that is equal to the net kilowatt-hours delivered to the electric utility's system by the customer during the billing period. Any credits received by the customer will be carried over to subsequent billing periods. Unused credits will expire at the end of the annual period or earlier in the event the customer terminates service from the electricity provider.
 - 2) Customers taking service under time of use rates

- i) The electric utility shall determine whether the customer is a net purchaser of electricity or a net seller of electricity during each discrete time period for which the tariffed or contract rate energy rate for electricity supply, as appropriate, is applicable. For each time period, the electricity provider shall multiply the tariffed or contract rate energy rate for electricity supply, as appropriate, by the amount purchased or sold by the customer to determine each time period's charge or credit. These amounts shall be summed to determine the net energy charge or credit for the billing period.
 - ii) If the customer is a net purchaser of electricity, the customer will remain responsible for all taxes, fees, and utility delivery charges that would otherwise be applicable to the net amount of electricity used by the customer.
 - iii) If the customer is a net seller of electricity, the customer shall receive a monetary credit from the electricity provider that is equal to: a) the energy credit determined for the billing period, plus b) the applicable kilowatt-hour-based delivery charges multiplied by the net energy supplied over the billing period. In the event the electricity provider is not the electric utility, the monetary credit for (b) shall be provided by the electric utility. Any monetary credits received by the customer will be carried over to subsequent billing periods. Unused credits will expire at the end of the annual period or earlier in the event the customer terminates service from the electricity provider. For purposes of calculating the customer's electricity bill, any credits may be used to offset other charges assessed by the electricity provider.
- b) Billing for non-residential eligible customers with generators over 40 kW and no greater than 2,000 kW.
 - 1) Customers taking service under rates other than time of use rates
 - i) The electric utility shall determine whether the customer is a net purchaser of electricity or a net seller of electricity during the billing period. If the customer is a net purchaser of electricity during the billing period, the electricity provider shall apply the applicable tariffed or contract rate, as applicable, to the net amount purchased. If the customer is a net seller of electricity, the electricity provider shall compensate the customer at the electricity provider's avoided cost of electricity supply, multiplied by the net amount of electricity sold to the electricity provider. For purposes of calculating the customer's

electricity bill, any credits may be used to offset other charges assessed by the electricity provider.

- ii) The electric utility shall assess delivery charges, fees and taxes on the gross amount of electricity supplied to the eligible customer. For the purposes of calculating the customer's bill, any compensation to the customer may be used to offset other charges assessed by the electricity provider.

2) Non-residential customers taking service under time of use rates

- i) The electric utility shall determine whether the customer is a net purchaser of electricity or a net seller of electricity during each discrete time period. For each time period, the electricity provider shall multiply the applicable rate to the amount purchased or sold by the customer to determine each time period's charge or credit. These amounts shall be summed to determine the net energy charge or credit for each billing period.
- ii) The electric utility shall assess delivery charges, fees and taxes on the gross amount of electricity supplied to the eligible customer. For the purposes of calculating the customer's bill, any compensation to the customer may be used to offset other charges assessed by the electricity provider.

Section 465.60 Reporting Requirements

The report required by Section 16-107.5 (k) of the Act shall be filed with the Manager of the Energy Division of the Illinois Commerce Commission by April 1st of each year beginning in 2009. The report shall include all information required under Section 16-107.5 (k) of the Act, including, but not limited to, the following information: the total peak demand supplied by the electricity provider during the previous year; the total generating capacity of its net metering customers; whether the electricity provider intends to limit total generating capacity of its net metering customers to 1%; and, the electricity provider's total number of net metering customers.

Section 465.70 Complaint Procedures

Complaints alleging violations of this Part shall be filed pursuant to 83 Ill. Adm. Code Part 200.

Section 465.80 Penalty Provisions

- a) Upon complaint or on the Commission's own motion, the Commission may conduct an investigation of an electricity provider's actions under any Section of this Part. The Commission may, after notice and hearing:
 - 1) order an electricity provider to cease and desist or correct any violation of, or nonconformance with, any provision of this Part;
 - 2) require an electricity provider to make due reparations or refunds as permitted by statute;
 - 3) impose financial penalties for violations of, or non-conformance with, the provisions of this Part as permitted under the Act;
 - 4) take other remedial and preventive action as provided for under the Act.
- b) The remedies shall be cumulative and may be imposed in addition to other remedies.

Section 465.90 Miscellaneous

- a) In accordance with Section 16-107.5(e) and (g) of the Act, nothing in this Part is intended to prevent an arms-length agreement between an electricity provider and an eligible customer that either (i) sets forth different prices, terms, and conditions for the provision of net metering service, including, but not limited to the provision of the appropriate metering equipment for non-residential customers, or (ii) sets forth the ownership or title of renewable energy credits. In accordance with Section 16-107.5(m) of the Act, nothing in this Part is intended to affect existing retail contracts between an alternative retail electric supplier and an eligible customer.
- b) Nothing in this Part shall be construed to impose upon alternative retail electric suppliers additional obligations that they do not otherwise have under the Public Utilities Act to serve customers.